

SECRET

OGC file
To file

5 AUG 1976

MEMORANDUM FOR: Chief, General Law Division,
Office of General Counsel

25X1A FROM : [REDACTED]
Acting Director of Personnel

SUBJECT : Review of Authority for Staffing
Employee Activity Functions

1. As a result of an audit of the Employee Activity Association (EAA), the Chief, Audit Staff has suggested that we seek OGC guidance with regard to assigning Agency employees to functions associated with EAA (Tab A). We would divide these functions into the following three areas and believe that they should be considered separately:

a. Clubs, Sports, Instruction, Tickets, Cultural, Social and Hobbies.

b. EAA Store.

c. Physical Fitness Room.

2. This general topic has received considerable attention throughout the history of the Agency. In November 1951 the General Counsel commented that the Comptroller General had denied the use of appropriated funds for the purchase of recreational property or the payment of services relating to recreational supervision (Tab B). He went on to say that justification for the Agency to expend funds for this purpose must be based upon unique operations. Factors mentioned in this opinion as providing the most likely justification were security considerations and the need for physical fitness in particular duties for which personnel were slated.

3. In March 1962 the Director of Personnel suggested to the DDS that with the move to Langley nearly completed, it was an appropriate time to develop a full-fledged employee activity program (Tab C). Security considerations figured prominently in this presentation. By December 1963 the program had expanded dramatically and a report was forwarded to the Executive Director (Tab D). This report indicated that

SECRET

SECRET CL BY CYS/228

SUBJECT: Review of Authority for Staffing
Employee Activity Functions

the Board of Directors of the 25th Hour Recreation Association had recommended the appointment of advisors to ensure full compliance with Agency security, cover, financial and other policy and administrative requirements.

4. The Executive Director-Comptroller addressed a memorandum to senior officers of the Agency in 1965 (Tab E) urging that they join the Employee Activity Association (EAA). He noted the importance the DCI attached to the activities of EAA and the fact that the Agency was providing most of the equipment and supplies and assuming the full cost of the salaries of personnel involved. The membership drive was launched with an aim toward making EAA self-sustaining.

5. The Audit Staff comments refer to a February 1967 memorandum of the Director of Personnel which discussed the staffing of EAA (Tab F). This memorandum to the DDS stated the position of the Office of Personnel that the EAA employees who were involved in clubs, cultural activities, athletic programs and ticket service were a part of the Agency's employee relations program while the EAA employees involved in merchandise sales would eventually be paid from EAA funds. When the OP memorandum was forwarded to the Executive Director-Comptroller (Tab G), he directed that the Store be operated without appropriated funds. The Store became self-sufficient in July 1969 (Tab H).

6. The Physical Fitness Room was never intended to be self-supporting. It was established in order to provide for the conditioning of employees who have physically demanding official duties and those who are assigned to TDY standby status. Consideration was also given to the contributions made by an active exercise program to preventive health maintenance and of the need for limited forms of physical therapy. While the Fitness Room is often thought of as an EAA program, the only relationship is in the maintenance of financial records by the EAA Accountant and provision of temporary coverage by EAA when the attendant is on leave. Equipment, furnishings and personnel costs of the Fitness Room have been paid from appropriated funds since the facility opened in 1964 (Tab I). This concept was followed again in 1972 when plans were being made for a similar facility in the Ames Building which never opened (Tab J).

7. It is requested that the attached materials be reviewed and that our authority be reconfirmed to assign

SUBJECT: Review of Authority for Staffing
Employee Activity Functions

employees paid from appropriated funds to the EAA Coordinator function (clubs, sports, instruction, tickets, cultural, social and hobbies) and to the Physical Fitness Room. The Chief, Benefits and Services Division will provide any additional information that may be required in your consideration of this matter.

25X1A

Atts

Distribution:

- 0 - Addressee
- 1 - DD/Pers
- 1 - C/BSD Subj File
- ~~1~~ - C/BSD OGC File
- 1 - C/BSD Chrono - w/held

25X1A OP/BSD/ [REDACTED] :jp (3 Aug 76)